VZCZCXRO7056 RR RUEHFK RUEHKSO RUEHNH DE RUEHKO #3115/01 3150609 ZNY CCCCC ZZH R 100609Z NOV 08 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC 8688 INFO RUEHBJ/AMEMBASSY BEIJING 6311 RUEHBY/AMEMBASSY CANBERRA 2855 RUEHLO/AMEMBASSY LONDON 2241 RUEHMO/AMEMBASSY MOSCOW 2608 RUEHFR/AMEMBASSY PARIS 6318 RUEHUL/AMEMBASSY SEOUL 2286 RUEHWL/AMEMBASSY WELLINGTON 1084 RUEHFK/AMCONSUL FUKUOKA 0874 RUEHNH/AMCONSUL NAHA 3234 RUEHOK/AMCONSUL OSAKA KOBE 4659 RUEHKSO/AMCONSUL SAPPORO 1445 RUEAIIA/CIA WASHDC RUEKJCS/CJCS WASHINGTON DC RUALSFJ/COMUSJAPAN YOKOTA AB JA RHMFISS/COMUSKOREA SEOUL KOR RHHMUNA/HQ USPACOM HONOLULU HI RHEHAAA/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEHUNV/USMISSION UNVIE VIENNA 0497 RUCNDT/USMISSION USUN NEW YORK 2474

#### C O N F I D E N T I A L SECTION 01 OF 05 TOKYO 003115

SIPDIS

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SUBJECT: S/P GORDON'S TRILATERAL POLICY TALKS WITH JAPAN AND SOUTH KOREA: NORTH KOREA DISCUSSIONS

Classified By: Ambassador J. Thomas Schieffer for reasons 1.4(b) and (d)

11. (C) SUMMARY: North Korea was a major topic of discussion at Trilateral Policy Planning talks held in Tokyo October 28-29 by S/P Director David Gordon and his Japanese and South Korean counterparts, Deputy Vice Foreign Minister for Foreign Policy Koro Bessho, and Deputy Minister for Planning and Coordination Lim Dae-Hong. South Korea views the North as both a threat and a potential partner, and is not entirely certain about the status of Kim Jong-Il's health, although they believe he is recovering from a stroke and maintains some control. Seoul does not expect a famine in the North this year and will continue to seek a dialogue with Pyongyang, even though this may be problematic. Japan's policy of seeking normalization with North Korea will continue unchanged under Prime Minister Aso, and Tokyo views it as important that trilateral coordination on planning for contingencies continue. The U.S. remains committed to the denuclearization of North Korea and concurs that contingency planning for a change in government in Pyongyang is urgently called for. Other topics discussed, including Pakistan and Afghanistan, regional architecture, global financial turmoil, global warming, and the future of global governance, are reported septel. END SUMMARY.

ROK: BIFURCATED VIEW OF DPRK

12. (C) Both internal factors - such as KJI's health and food shortfalls - and external challenges - such as political changes in the United States and the global financial crisis - will impact the situation inside North Korea, ROK Deputy Foreign Minister Lim Dae-Hong said. Although it remains difficult to assess how things will evolve in the DPRK, South Korea's bifurcated view of the North remains the same: it is both a potential military foe and partner. Because North-South relations are fundamentally different from those

of other independent countries, a special approach is needed. Lim described his country's policy of pursuing economic interests, denuclearization and reconciliation through flexible, pragmatic and results-oriented means.

## Kim Jong-Il's Health

13. (C) South Korea assesses is likely that Kim Jong-Il (KJI) suffered a stroke in August, but that he is recovering, said DFM Lim. The next three to five months will be critical to see if he makes a full recovery. In spite of KJI's medical problems, the ROK senses there have been no signs of change in the DPRK's power structure, including the leadership and the military. Lim said that given recent DPRK contacts with both the South and the United States, including North-South military talks and verification discussions, it seems that the North's decision-making process is still functioning.

# The North's Economy and Food Supply

14. (C) On the economy, although Pyongyang had initially touted 2008 as a "year of change," there have been no major improvements either in economic capacity or the standard of living, Lim continued. The ROKG assesses that the North needs approximately 5.5 to 6 million tons of food and will only harvest about 4.7 million. In spite of this shortfall, it does not seem that there will be a famine in the North (although Lim added that the World Food Program has a more

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gloomy assessment). The DPRK has yet to respond to the ROK's May offer of food assistance, Lim said.

### North-South Dialogue

- 15. (C) North-South dialogue remains problematic because of Pyongyang's refusal to respond to Seoul's offer to begin discussions and due to continued North Korean denunciations of the ROK, Lim reported. That said, North-South exchanges and economic cooperation continue to expand, with exchanges increasing 39% from September 2007 to September 2008 and trade increasing 16% over the same period.
- 16. (C) South Korea will continue to seek dialogue with the North "without getting agitated," Lim continued. The North requested military talks on October 2 and again on October 27 to seek a cessation of South Korean NGOs' sending leaflets by balloon into North Korea (the leaflets contain criticisms of the KJI regime and descriptions of his illness and family structure, and often have U.S. dollars or Chinese yuan attached). In response to this request, the ROKG asked the NGOs to cease, but was rebuffed. The distribution of leaflets has been a feature of North-South relations since 1953, but this was the first time that the North has ever asked for a halt. As such, the ROKG assesses that the KJI regime is weakening and believes that the situation in the North "is not good," Lim said.

# KJI: Nationalist or Traitor?

- 17. (C) Embassy Seoul Pol M/C offered several observations. On the DPRK's harvest, there is a gap between the ROKG's and WFP's assessments. Also notable is the ratcheting up of the DPRK's anti-ROK rhetoric in recent days. Over the past two decades, there had been significant developments in South Korea, especially in regard to the need to engage North Korea and its leadership. Finally, Pol M/C suggested that the three parties, and possibly China, need to discuss regional cooperation on security and other issues.
- 18. (C) Deputy Minister Lim noted that within the ROK there are two views of KJI: that of the nationalist and that of the

traitor to the Korean people. The ROKG must bear both of these views in mind as it works to help the North deal with its internal difficulties while persuading it to accept "world reality" and take the peaceful road to unification without nuclear threats.

U.S. VIEW: FUTURE OF DPRK UNCLEAR

¶9. (C) S/P Director Gordon agreed that we do not know what's happening with KJI, how serious his condition is, nor what the prospects are for political transition. Significantly, in contrast to Kim Il-sung, who had undertaken a long-term effort to lay the groundwork for KJI's eventual succession, a similar process does not seem to be underway now. Also notable are the North's ham-handed and fitful efforts to portray things as normal (particularly KJI's health). The PRC also does not seem to have a good grasp of what is going on in North Korea. That said, while whatever is happening does not seem to have impacted the North's decision-making and governing processes - and perhaps we can assume that the system will show continuity and resilience - we need to be prepared for contingencies.

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### U.S. Committed to Denuclearization

- 110. (C) The United States remains committed to seeking North Korea's denuclearization through the Six Party Talks, S/P Director Gordon continued. Although progress has been slower than we had hoped, we have achieved progress in the disablement of Yongbyon and we now have in place mechanisms to learn more about the North's nuclear program. While this is a challenging and lengthy process particularly when it comes to disablement and verification -- there is no alternate approach. The Six Party process has been very useful to move forward while engaging China on a practical set of issues. Our view is that China is uncomfortable with the North Korean regime and its nuclear and missile ambitions. It is not inconceivable that the PRC would seek to use political uncertainty in the North to shape a new regime there more suitable to China's preferences, S/P Gordon observed.
- 111. (C) A co-incidence of interests among the five parties -particularly since the election of ROK President Lee Myung-bak -- has narrowed the North's room to maneuver on the nuclear issue, S/P Gordon said. That said, it is difficult to conclude that Pyongyang has made the decision to give up its nuclear program. Our strategy of using the Six Party process to generate momentum with the North is thus the way to go. Regardless of who the next U.S. President is, it is unlikely that there will be a shift away from our overall multilateral approach, although there may be changes in modalities or players, Dir. Gordon said.

JAPAN: BASIC POLICY UNCHANGED

112. (C) For Japan's part, Deputy Vice Minister Bessho stated that newly-elected Prime Minister Aso has said Japan will continue its basic policy of seeking normalization with the DPRK based on a comprehensive solution to the nuclear, missile and abductions issues. Furthermore, while it is important to discuss the state of KJI's health, it is a given that he will die at some point, and we need to be prepared for what will happen when he does.

Coordination Sought

Affairs Division Director Takeshi Akahori urged the United States, ROK and Japan to continue their coordination "at all levels" to ensure the North does not drive a wedge among them. He also flagged the lesson of KEDO and the money spent on it as useful for reflection as the three sides pursue possible future projects in the North. Finally, he urged the three sides to think hard about possible DPRK scenarios; for example, in conversations with ROK economists, no one seemed to have given much thought to what the cost of reunification would be, and this was worrisome, Akahori said.

## A North Korean "Regent"?

114. (C) Japan MOFA Foreign Policy Bureau Deputy Director General Kazuyoshi Umemoto suggested that, in considering future scenarios, perhaps Korean history could offer a guide as to what happens in messy successions. Also, Umemoto suggested that another factor impacting future scenarios is that the North Koreans of today are better aware of what is

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happening outside and how poorly off their country is.

115. (C) Responding to Umemoto, the Blue House's Lee Choong-myon said that there is precedence in Korean history of regent or collective systems of leadership being established. It seems clear that KJI is not in good condition and that change at some point is certain. Turning to the U.S. election results, while there may not be any big change, there could be differences in nuance and focus. In the end, the ROKG hopes that the new administration will emphasize trilateral coordination and cooperation, Lee said.

## NEED FOR CONTINGENCY PLANNING

- 116. (C) Returning to a theme discussed earlier, DVM Bessho noted that although all three countries discuss contingencies, there was little discussion about where ultimately they thought things should end up after a contingency. Should something chaotic happen, it would be difficult to plan and think clearly, so planning early and knowing in particular the ROK's thinking on post-contingency scenarios is necessary. MOFA's Park Jong-dae, S/P's James Green and Seoul Pol M/C noted that discussions have taken place over the years, but they are normally detailed military discussions that leave out post-hostilities actions as well as what role Japan should have. Embassy Tokyo Pol M/C suggested that a discussion of diplomatic and civil administrative responses to a reunification scenario would be useful.
- 117. (C) S/P Gordon concurred that, while we do robust military planning, it is a challenge to do broader planning. The example of German reunification is instructive in that the scenario we ultimately faced was one that we didn't plan for; our view of contingencies had been too narrow. We thus need to think more broadly about possible DPRK contingencies and eventually consider how we want to involve China, both in terms of process and substance.

### PARTICIPANTS

118. (U) United States:

- -- S/P Director David F. Gordon;
- -- Mr. James Green, S/P Staff;
- -- Mr. Mike Meserve, Embassy Tokyo Political Minister Counselor;

- -- Mr. Joseph Yun, Embassy Seoul Political Minister Counselor;
- -- Mr. Marc Knapper, Embassy Tokyo Deputy Political Counselor (notetaker);
- -- Mr. Evan Reade, Embassy Tokyo First Secretary (control officer).

### 119. (U) Japan:

- -- Deputy Vice Minister for Foreign Policy Koro Bessho;
- -- Mr. Kazuyoshi Umemoto, Deputy Director General for Foreign Policy;

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- -- Ms. Hikariko Ono, Director, Policy Planning Division;
- -- Mr. Takehiro Kano, Senior Foreign Policy Coordinator;
- -- Ms. Mayu Higiwara, Deputy Director, Policy Planning Division;
- -- Mr. Kensuke Nagase, Deputy Director, Policy Planning Division.

### 120. (U) Republic of Korea:

- -- Deputy Foreign Minister for Planning and Coordination Lim Dae-Hong;
- -- Mr. Park Jong-Dae, Director, Policy Planning and Coordination Division:
- -- Mr. Kim Tae-Jin, Counselor, ROK Embassy Tokyo;
- -- Mr. Lee Choong-Myon, Assistant Secretary to the President for National Security Strategy, Office of the President;
- -- Mr. Lee Dong-Gy, First Secretary, Japan Division;
- -- Mr. Kim Yeon-Sik, Second Secretary, North America Division;
- -- Mr. Yun Young-Ki, Second Secretary, Policy Planning and Coordination Division.
- $\P21.$  (U) S/P Director Gordon cleared this cable. SCHIEFFER